IN THE SPECIFICATION:

Please amend the paragraph starting at page 13, line 27, and ending at page 14, line 17, as follows.

--The diffractive optical element 1 in this embodiment has an alignment mark 2 which, as shown in Figure lB, is formed with a small opening ~~α~~ 3 and a height (depth) y adapted to provide a phase difference of about $m\lambda/(n-l)$ between a light ray (wavelength λ) passing through (or reflected by) the mark and a light ray (wavelength λ) passing through a portion around the mark, where λ is the wavelength (design wavelength) to be used with the optical element, m is an integer, and n is the refractive index of the material of a substrate 4 of the optical element with respect to the wavelength λ. The small opening 3 also has a diameter a. The alignment mark 2 is disposed at a desired position on the structure of the diffractive optical element, particularly, in a region through which the light of the design wavelength λ is to pass, such as, for example, at or about a center of the diffractive optical element 1.--

Please amend the paragraph starting at page 16, line 23, and ending at page 17, line 5, as follows.

--The alignment mark is not limited to a hole with a circular opening. For example, as shown in Figures 2A and 2B, it may comprise a protrusion 23 of a round column. Also in this case, like the preceding case, while a substrate 24 of the diffractive optical element 1 has a thickness d and a glass material of the substrate 24 has a relative

refractive index n, the alignment mark 21 may comprise a round column with a diameter ~~a~~ a and a height ~~h~~ y that satisfies about $m\lambda/(n-l)$ where m is an integer.--

Please amend the paragraphs starting at page 22, line 1, and ending at line 25, as follows.

--Denoted in Figure 7 at 71 is a light source, and denoted at 72 is a reticle. Denoted at 73 is a lens barrel for a projection optical system 78. Denoted at ~~74~~ 74a-c are lenses of the projection optical system, and denoted at 1 is a diffractive optical element according to the present invention. Denoted at 76 is a wafer, and denoted at 77 is a wafer stage.

The diffractive optical element 1 comprises one according to the first embodiment of the present invention, for example, and here it is arranged to correct chromatic aberration of the lenses ~~4~~ 74a-c. The wafer 76 can be positioned at a desired position, by means of the wafer stage 77. The wafer height can be adjusted at a focus position, by means of a focus detecting system (not shown). Here, as required, the reticle may be brought into alignment with a mark of the wafer, having been printed on an underlying layer of the wafer. Upon completion of the focus and alignment operations, a shutter (not shown) is opened such that the reticle 72 is illuminated with illumination light from the light source 71. In response, a circuit pattern formed on the reticle 72 is projected by the projection optical system 78 onto a resist applied to the wafer 76, whereby the wafer is exposed with the reticle pattern.--